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**OFFICE MEMORANDUM**

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**TO:** CAROL SCHATZ, PRESIDENT & CEO, DOWNTOWN CENTER BID (DCBID)  
**FROM:** JESSICA LALL, PRESIDENT & CEO, CENTRAL CITY ASSOCIATION (CCA)  
**SUBJECT:** 626 WILSHIRE, SUITE 200 OFFICE RELOCATION  
**DATE:** SEPTEMBER 19, 2017  
**CC:** MARTHA SAUCEDO; CARI WOLK

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CCA would like to provide an update on the pending office move and proposal for next steps.

**BACKGROUND**

In May 2017, CCA shared that it would be moving its office space to the 8<sup>th</sup> floor of 626 Wilshire before the end of the year. DCBID informed CCA that they were considering relocating out of the building. Since the two organizations did not have an official sub-lease agreement, and CCA needed to move forward with a new lease for the 8<sup>th</sup> floor space, we informed DCBID that a new lease was signed in July 2017 to commence on October 1, 2017 (pending that all construction would be completed).

In keeping with our intent for a smooth transition, CCA honored DCBID's request for a 30-day hold over on the current lease to allow the DCBID additional transition time. CCA made this request to the landlord on August 28. This hold over would be effective starting the day that CCA begins its new lease on the 8<sup>th</sup> floor. In this request, we asked that we pay 52% of the current 2<sup>nd</sup> floor lease (equivalent to the amount the DCBID currently pays of the total lease) to mitigate additional burden on either organization.

Although the landlord typically charges a 150% premium on hold overs, the request was granted to CCA to allow for DCBID to remain in the 2<sup>nd</sup> floor space for \$12,720.84/month until November 30, 2017. After November 30<sup>th</sup>, the landlord retains the right to give a 30-day notice in the instance they find a new tenant. However, if they do not lease the space, the landlord is open to allowing the DCBID to remain in the space until the end of December 2017. The landlord expects to be able to provide clarity on October 2<sup>nd</sup> as to whether remaining in the place for the month of December is an option.

**NEXT STEPS**

As of today, CCA plans on moving to the 8<sup>th</sup> floor the week of October 2, 2017 (assuming no delays between now and then), at which point the new lease will start, and the 30-day period for the hold over will begin. In light of the fact that there is no official sub-lease agreement, we will need a legal document releasing CCA from liability on the 2<sup>nd</sup> floor during this time. We will be moving our individual office furniture, the Piece-by-Piece mosaic we purchased, and the conference room tables and chairs that CCA purchased in December 2009.

CCA appreciates the cooperation and hopes the accommodations we have made will allow DCBID to have a smooth transition.